

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

Appellants : Connie T. Marshall et al.
Application No. : 09/609,073 Confirmation No. : 2964
Filed : June 30, 2000
For : INTERACTIVE WAGERING SYSTEMS AND METHODS
FOR RECORDING WAGERING EVENTS
Art Unit : 3714
Examiner : William H. McCulloch Jr.

Mail Stop Appeal Briefs - Patents New York, NY 10036
Commissioner for Patents February 2, 2009
P.O. Box 1450
Alexandria, Virginia 22313-1450

REPLY BRIEF

Sir:

Pursuant to 37 C.F.R. § 41.41(a), appellants are filing this Reply Brief in reply to the new Examiner's Answer dated December 8, 2008, and in support of their appeal from the rejection of claims 2-19 and 38-48 in the Office Action dated January 29, 2007. Appellants previously filed an Appeal Brief on April 25, 2007 (hereinafter "Appeal Brief") and a Reply Brief on October 22, 2007 in connection with this case.

REMARKS

I. Introduction

Appellants maintain the position that claims 2-19 and 38-48 of the present application are patentable in view of Brenner U.S. Patent No. 5,830,068 (hereinafter "Brenner '068"). Appellants also maintain the position that the obviousness-type double patenting rejection over Brenner et al. U.S. Patent No. 6,004,211 (hereinafter "Brenner '211") is unfounded. Appellants submit that the new ground of rejection under 35 U.S.C. § 101 is in error and that the Examiner's Answer is insufficient as a matter of law to uphold the prior art rejections and the double patenting rejection for at least the reasons set forth in appellants' Appeal Brief. Appellants have filed this Reply Brief to address the new ground of rejection under 35 U.S.C. § 101 and comments in the December 8, 2008 Examiner's Answer (hereinafter "the Examiner's Answer") and to further demonstrate the patentability of pending claims 2-19 and 38-48.

II. Summary of the Examiner's Answer

The Examiner's Answer maintains the § 102(e) rejection of claims 2-9, 11-19, and 38-48 and the § 103(a) rejection of claim 10 from the January 29, 2007 Office Action and restates the same grounds of rejection from that Office Action.

The Examiner's Answer also maintains the obviousness-type double patenting rejection of claims 2-19 and 38-48.

The Examiner's Answer withdraws the § 112, first paragraph, rejection regarding the scope of enablement for claims 11, 14, 15, 38, 43, and 44 (as well as claims 13 and

39-42, which depend therefrom) in light of appellants' arguments contained in the Appeal Brief.

The Examiner's Answer issues a new ground of rejection under 35 U.S.C. § 101 of claims 2-11 and 14-19.

The Examiner's Answer also provides a "Response to Arguments" section that appears to advance a new interpretation of appellants' claim language in response to arguments presented in appellants' Appeal Brief.

III. Summary of the Appellants' Reply

Appellants' Appeal Brief fully addresses the grounds of rejection stated in the January 29, 2007 Office Action.

This Reply Brief addresses the Examiner's comments on appellants' arguments contained in the Appeal Brief as well as the new ground of rejection under § 101.

Appellants submit that the Board should find the rejections of claims 2-19 and 38-48 to be in error and should reverse the Examiner.

IV. Appellants' Reply to the New Ground of Rejection under 35 U.S.C. § 101

The Examiner's Answer includes a new ground of rejection of claims 2-11 and 14-19 under 35 U.S.C. § 101. See Examiner's Answer, pages 8-9. According to the Examiner, these claims fail to recite statutory subject matter because they "do not transform underlying subject matter . . . nor are they tied to another statutory class." *Id.* at 8. Appellants respectfully disagree.

A. Claims 2-11 and 14-19 Satisfy *Bilski*

Although the Examiner's Answer does not specifically refer to the Federal Circuit's recent *en banc*

opinion *In re Bilski*, the Examiner is clearly using the new test for statutory subject matter set forth by the Federal Circuit. See *In re Bilski*, 545 F.3d 943 (Fed. Cir. 2008).

According to the Federal Circuit, the sole test for patentable subject matter is the "machine-or-transformation" test. *Id.* at 956. This test, according to the Federal Circuit,

is a two-branched inquiry; an applicant may show that a process claim satisfies 101 either by showing that his claim is tied to a particular machine, or by showing that his claim transforms an article. Certain considerations are applicable to analysis under either branch. First, . . . the use of a specific machine or transformation of an article must impose meaningful limits on the claim's scope to impart patent-eligibility. Second, the involvement of the machine or transformation in the claimed process must not merely be insignificant extra-solution activity. *Id.* at 961-62 (internal citations omitted).

As described in more detail below, appellants' claimed invention is clearly tied to a particular machine -- namely, user equipment on which an interactive wagering application is implemented. Even if appellants' claimed invention were not tied to a particular machine, it nevertheless transforms a "tangible article" as defined by the Federal Circuit. For these reasons, appellants request that the Board overturn the 35 U.S.C. § 101 rejection.

B. Appellants' Claims 2-11 and 14-19 Are Tied To User Equipment on Which an Interactive Wagering Application is Implemented

As recited in the preamble of independent claim 19, appellants are claiming methods for "a user at user equipment to interactively wager on races with an interactive wagering application implemented using the user equipment." Independent claim 19 recites allowing the user

to create and place a wager for a given race, automatically providing the user with an opportunity to record the given race in response to the user placing the wager for the given race, and recording the race. As recited in the preamble of claim 19, all of these steps are performed or initiated by "an interactive wagering application implemented using the user equipment." As recited by various dependent claims, the user equipment may include, for example, user television equipment, user computer equipment, or user telephone equipment.

Appellants' claimed invention is therefore clearly tied to a particular machine -- namely, user equipment capable of interactively creating and placing a wager and recording a race. This construction of appellants' claims is indisputable. Such specialized user equipment clearly qualifies as a particular machine.

In addition, appellants' claims "impose meaningful limits" on the scope of the claimed invention. For example, appellants' claims 2-11 and 14-19 are directed to interactively wagering on races with an interactive wagering application implemented using user equipment. Appellants are not attempting to preempt every recording of a race. Rather, only recordings where a user is *automatically* provided with an opportunity to record *in response to the user placing a wager for a given race* are covered by appellants' claims 2-11 and 14-19. For example, manually recording a race, automatically recording the race in response to some event (other than placing a wager on that race), or the use of a equipment other than user equipment on which an interactive wagering application is implemented is not covered by appellants' claims. Appellants' claims, therefore, do impose meaningful limits on the scope of the claimed invention.

Nor is the involvement of the interactive wagering application and user equipment mere "extra-solution activity." The interactive wagering application and user equipment are much more integral to appellants' claimed invention than gathering data (see *In re Grams*, 888 F.2d 835, 839-40 (Fed. Cir. 1989)) or recording a result (see *In re Schrader*, 22 F.3d 290, 294 (Fed. Cir. 1994)). Rather, as described above, appellants' claimed steps are inextricably tied to the user equipment on which the interactive wagering application is implemented. As a result, any attempt to categorize this equipment as "extra-solution activity" must fail.

The Examiner seems to contend that the recitation of "user equipment" in the preamble of independent claim 19 is insufficient to create a "substantial tie" to a particular machine (*i.e.*, the user equipment). The Examiner states that such a conclusion is supported by the "rationale set forth by the above [*Diamond, Benson, Parker, Cochrane*, and *Cominsky*] court cases." See Examiner's Answer at 9. Appellants respectfully disagree.

The *Bilski* court clarified that "[w]e leave to future cases the elaboration of the precise contours of machine implementation, as well as the answers to particular questions, such as whether or when recitation of a computer suffices to tie a process claim to a particular machine." *Bilski*, 545 F.3d at 962, emphasis added. As such, appellants submit that the Examiner's reliance on prior cases to delineate the boundaries of the machine-or-transformation test is misguided. The recitation of "user equipment" and the "interactive wagering application implemented using the using equipment" in the preamble of claim 19 is a sufficient and inextricable tie to a particular machine, and hence claims 2-11 and 14-19 are directed to statutory subject matter.

C. Appellants' Claimed Invention is a Practical Application that Transforms a Particular Article

Subject matter can also be patent-eligible if it transforms a particular article. See *Bilski*, 545 F.3d at 954. In *Bilski*, the Federal Circuit clarified that the transformation of a particular article may include the electronic transformation of the article. See *id.* at 962-63. In fact, the court noted that "the electronic transformation of the data itself into a visual depiction" is sufficient to be patent-eligible. *Id.* at 963. The underlying transformation of a physical object represented by the data is not required. *Id.*

Here, an article is *actually transformed* in claims 2-11 and 14-19. Independent claim 19 recites "recording the given race." Recording a given race necessarily involves transforming a storage medium or other storage device to store (or record) the race. As examples, a personal archive (dependent claim 4), videocassette (dependent claim 12), digital video (dependent claim 13), or computer storage device (dependent claim 14) may be transformed during the recording process. The storage device (e.g., magnetic tape, hard disk platter, or optical disc) is a tangible article, and therefore the claimed method necessarily transforms the tangible article during the recording step.

For at least the foregoing reasons, appellants respectfully submit that the new ground of rejection of claims 1-31 under 35 U.S.C. 101 should be overturned.

V. The 35 U.S.C. § 102(e) Rejections

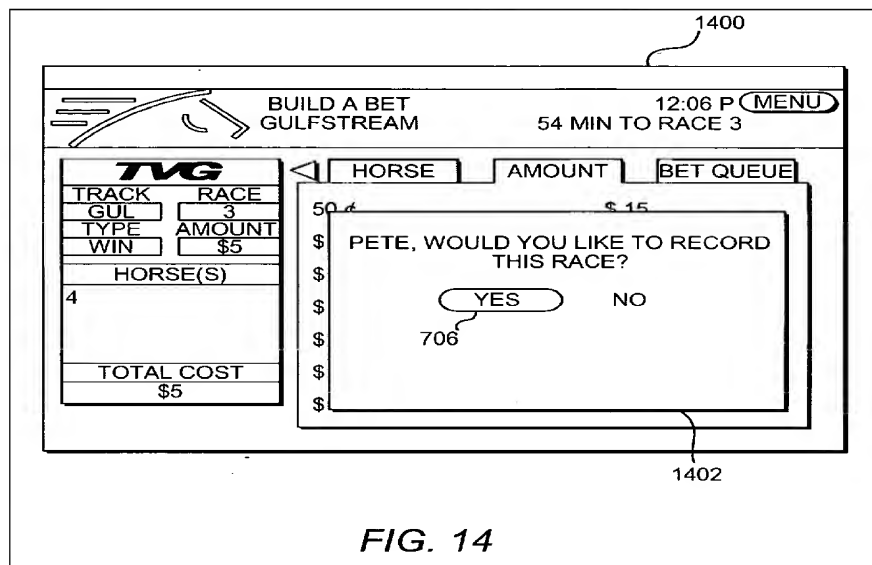
A. Claims 3-7, 9, 11-19, and 38-48

Appellants submit that the Examiner's Answer is insufficient to uphold the 35 U.S.C. § 102(e) rejection of claims 3-7, 9, 11-19, and 38-48 because Brenner '068 fails to show or suggest all of appellants' claimed features recited in each of independent claims 19 and 48. Namely, Brenner '068 fails to show or suggest automatically providing a user with an opportunity to record a given race in response to placing a wager on the given race.

The Examiner's Answer maintains that the term "opportunity" is interpreted in accordance with its dictionary definition as "a situation or condition favorable for attainment of a goal" and interprets appellants' claim language as "automatically (*without additional effort*) providing an opportunity (*favorable situation or condition*) to record a race in response to (*after*) placing a wager" (Examiner's Answer, page 13). Appellants would first like to clarify that the user is automatically provided with the opportunity. This is missing from the Examiner's alleged interpretation.

Appellants submit that the Examiner is either not following his own alleged interpretation or is unreasonably interpreting appellants' claim language.

Appellants' invention advantageously automatically provides the user with an opportunity to record a race in response to placing a wager on that race. The user, therefore, does not need to manually seek out such an opportunity as required in prior systems such as the system described in Brenner '068. Appellants' FIG. 14, reproduced below, shows an example of such an opportunity in overlay 1402.



Appellants believe that the Examiner would agree that overlay 1402 of FIG. 14 shows appellants' opportunity as claimed. Brenner '068, however, fails to automatically provide any such opportunity to a user in response to placing a wager. FIGS. 31 and 39 of Brenner '068 are reproduced below:

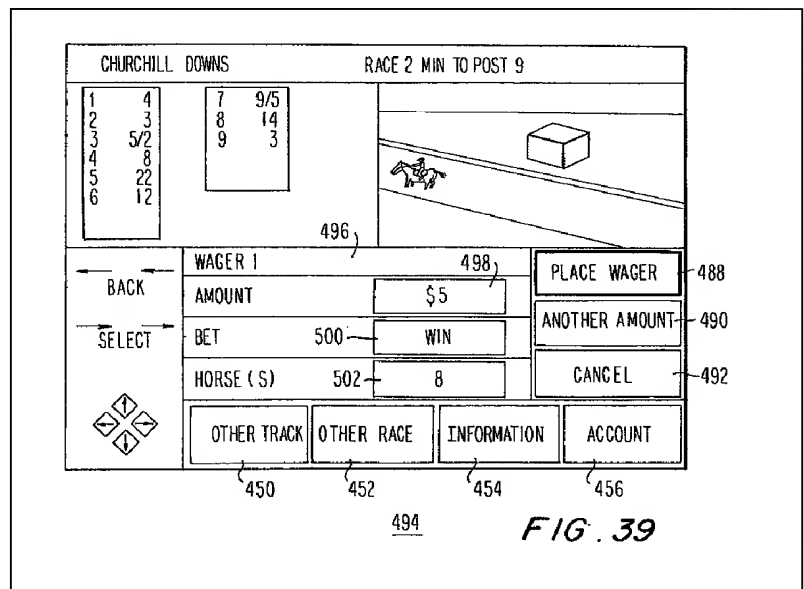
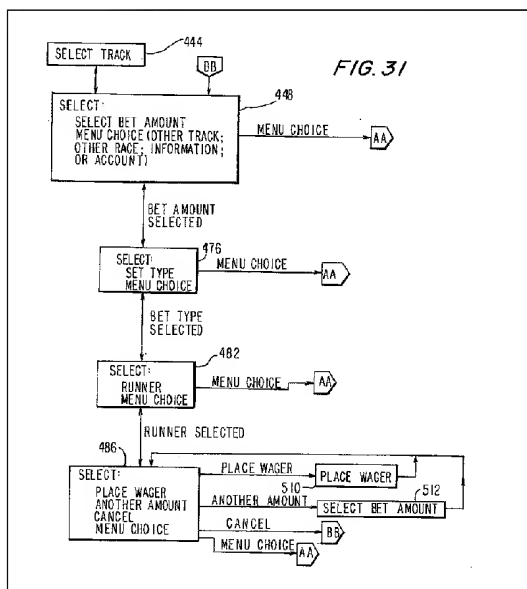


FIG. 31 shows a logic flow diagram of Brenner '068's system. As shown in the bottom portion of the flow diagram, after a wager is placed (step 510), Brenner '068's system returns to the previous step 486 of the flow diagram. Step 486 does not indicate that the user is automatically provided with an opportunity to record the race that the user wagered upon. FIG. 39 shows an illustrative display screen that corresponds to step 486 of FIG. 31. FIG. 39 provides the user with several menu options. FIG. 39, however, does not automatically provide the user with an opportunity to record the race that the user wagered upon. The specification states that a confirmatory message may also be briefly displayed in response to placing a wager (see FIG. 40). The confirmatory message also does not automatically provide the user with the appellants' claimed opportunity.

In order for a user to record a race in Brenner '068, the user must manually navigate to a screen that provides the user with such an opportunity. For example, from FIG. 39 of Brenner '068, the user must manually select "Other Race" menu option 452. This selection brings the user to a screen such as the screen shown in FIG. 49 of Brenner '068. This screen provides a number of options for races, including "Tape/VCR" options that provide the user an opportunity to record future races.

The Examiner's comments in the Examiner's Answer were unclear and confusing to the appellants. Nevertheless, what is clear is that the Examiner is either not following his own alleged interpretation of appellants' claims or is unreasonably interpreting appellants' claim language. Appellants address the Examiner's comments below.

The Examiner states with regard to Brenner '068 that "[c]learly the user is given the opportunity to select to record the wagered upon race, despite the fact that he

must push buttons in order to do it" (Examiner's Answer, page 14). Appellants submit, however, that this statement is contrary to appellants' claims and is contrary to the Examiner's alleged interpretation of appellants' claims. Appellants' claims specify that the opportunity is automatically provided to the user. The Examiner interprets "automatically" as being "without additional effort." The Examiner, however, then appears to ignore the "automatic" aspect of appellants' claims and argues that a user's effort in Brenner '068 to manually navigate to an opportunity to record a race meets appellants' claims.

As addressed in appellants' Appeal Brief, manual selection of an option by a user in order to be presented with an opportunity to record a race fails to anticipate applicants' claims.

The Examiner in the Examiner's Answer also appears to use the "automatic" aspect of appellants' claims in a context that is different than its use in the claims. For example, the Examiner states the following:

The claims do not say ..., but rather that there is an opportunity to record the race, the opportunity being automatic. The conditions for a player to record the race, or opportunity to record the race, are present in response to placing the bet and are automatic (Examiner's Answer, page 14).

Here, the Examiner appears to be stating that Brenner '068's opportunity or conditions are automatic. Appellants are unclear what the Examiner means by this. Appellants' claims specify that the opportunity is automatically provided, not that the opportunity is automatic. As discussed above, Brenner '068's "Tape/VCR" option (i.e., the opportunity or the Examiner's alleged condition) is not automatically provided in response to placing a wager on the given race.

The Examiner's statement cited in the previous paragraph also suggests to appellants that the Examiner may

be taking an unreasonably broad interpretation of the claimed "opportunity to record the given race." Appellants acknowledge that Brenner '068 provides an opportunity to record a race. This opportunity is provided, for example, in the screen shown in FIG. 49. As discussed above, FIG. 49 includes "Tape/VCR" options that provide the user with an opportunity to record future races. FIG. 49, however, is not automatically provided in response to a user placing a wager. Rather, FIG. 49 is provided in response to a user's manual selection of, for example, the "Other Race" menu option. If the Examiner is interpreting appellants' claimed "opportunity to record the given race" to be met by the Brenner '068's "Other Race" menu option, then the Examiner is taking an unreasonably broad interpretation of appellants' claimed opportunity. The selection of the "Other Race" menu option does not cause the race that the user wagered upon to be recorded. As explained above and in appellants' Appeal Brief, Brenner '068's "Other Race" menu option allows the user to manually navigate to a screen that provides an opportunity to view race results and record future races. The "Other Race" menu option of Brenner '068 cannot itself be considered an opportunity to record. Appellants' invention, unlike Brenner '068, advantageously automatically provides the user with such an opportunity in response to placing a wager.

The final statement appellants would like to address in the Examiner's Answer is the following: "The claims do not say that the race is automatically recorded in response to the wager being placed" (Examiner's Answer, page 14). Here, the Examiner appears to suggest that appellants argued in the Appeal Brief that the claims require the race to be automatically recorded in response to the wager being placed. Appellants have not made any such argument. Appellants have consistently and repeatedly argued that

Brenner '068 does not show automatically providing the user with appellants' claimed opportunity. Appellants never argued that the claims require the race to be automatically recorded in response to placing a wager.

In view of the foregoing, appellants submit that the Examiner is either not following his own alleged interpretation of appellants' claims or is unreasonably interpreting appellants' claim language. In addition, appellants have addressed statements made by the Examiner that were unclear or confusing to appellants. Appellants maintain that the Examiner's rejection of independent claims 19 and 48, and dependent claims 3-7, 9, 11-18, and 38-47, under 35 U.S.C. 102(e) should be reversed.

B. Dependent Claim 2

The Examiner's Answer also maintains that dependent claim 2 is fully anticipated by Brenner '068. The Examiner seems to admit that Brenner '068 does not actually display the words "yes" or "no" to the user, but that there is "absolutely no criticality to using this exact verbiage" (Examiner's Answer, page 15).

The Examiner seems to be confusing a § 103 obviousness determination of overlapping ranges with a § 102 anticipation rejection. Although "a *prima facie* case of obviousness based on overlapping ranges [can be rebutted] by showing the criticality of the claimed range" (MPEP § 2144.05(III)), there is no criticality requirement to rebut a § 102 rejection. Appellants' claimed limitation of "allowing the user to select yes or no in response to the option to record the given race" requires just that - a user selection of "yes" or "no" in response to an option to record a race.

Since at least because the Examiner admits that Brenner '068 does not show this claimed feature, dependent

claim 2 is not anticipated by Brenner '068. For at least this reason, as well as the reasons set forth in appellants' Appeal Brief, appellants submit that the Board should find the § 102(e) rejection of claim 2 to be in error and should reverse the Examiner.

C. Dependent Claim 8

The Examiner's Answer also maintains that dependent claim 8 is fully anticipated by Brenner '068. According to the Examiner's Answer, appellants' claimed "personal archive" is anticipated by Brenner '068 because Brenner '068 allows a user to "set his own recording of an upcoming race" and "make a personal, individual order to view a previous race on demand" (Examiner's Answer, page 16).

As argued in appellants' Appeal Brief, FIGS. 49 and 50 of Brenner '068 do not list previously recorded races in a personal archive. Rather, these figures show illustrative menu options, such as "Results" and "Tape/VCR." Selecting "Results" allows a user to order an earlier race. See Brenner '068, column 26, line 65 - column 27, line 22. After selecting "Results," the user may be presented with the display screen of FIG. 50, which allows the user to purchase a video of a race. *Id.* However, none of the listings in FIGS. 49 or 50 refer to previously recorded races in a user's "personal archive." Rather, these figures merely enable users to set a recording or order a video of a race. See Brenner '068, column 27, lines 22-38. As described in appellants' specification:

[i]f desired, the interactive wagering system may allow the user to easily access the user's stored racing videos. The racing videos may be stored in a personal archive. . . . The interactive wagering system may include a racing video archive located remotely from the user equipment. The system may allow

the user to search the racing archive for desired races. . . . The user may view one or more of the matches or may save one or more of them in the user's personal archive. (Specification, page 3, line 32 - page 4, line 17).

From the foregoing description, it is clear that appellants' specification discloses both remotely-stored and locally-stored personal archives. The user's "personal archive" is a personalized archive of racing videos selected by a specific user. This definition is congruous with the common meaning of a personal video archive, as would be understood to one of ordinary skill in the art at the time appellants' invention was made. Appellants submit that the mere ability to order racing videos on-demand or set recordings of upcoming races does not implicate a personal archive. As such, Brenner '068 does not anticipate dependent claim 8.

For at least the foregoing reasons, as well as the reasons set forth in appellants' Appeal Brief, appellants submit that the Board should find the § 102(e) rejection of claim 8 to be in error and should reverse the Examiner.

VI. The 35 U.S.C. § 103(a) Rejections

Appellants submit that the Examiner's Answer is also insufficient to uphold the 35 U.S.C. § 103(a) rejection of claim 10. Claim 10 recites that the previously recorded races in the personal archive are listed with their corresponding date. As previously argued in the Appeal Brief, nothing in Brenner '068 suggests that previously recorded races in a user's personal archive should be listed with their corresponding date.

The Examiner contends that it would have been obvious to list previously recorded races with the corresponding date "to allow users to correctly identify

when the race took place" (Examiner's Answer, page 16). However, previously recorded races could just as easily be identified by runner name, track name, race number, or any other identifying information. Listing previously recorded races by date advantageously allows a user to efficiently view a runner's performance in recent races. Such a listing is not shown or suggested by Brenner '068.

In an effort to bolster his argument, the Examiner further submits that "virtually ever modern computer operating system appends a date to digital files representing the date that the file was created" (Examiner's Answer, page 17). The Examiner also includes an excerpt from *Special Edition Using Windows NT Workstation 4.0* in order to show that the date and time of file creation is "well within the capabilities of one of ordinary skill in the art." *Id.* The Examiner appears to be taking official notice that listings by date are well-known in the art.

Appellants respectfully disagree and traverse the Examiner's use of official notice (if the Examiner is in fact taking official notice). The Examiner has only shown that some operating systems keep track of a file's creation date. This showing is wholly inadequate to conclude that a racing video's corresponding race date may be displayed in a personal video archive listing. A file's creation date and the corresponding race date of a racing video may be different dates.

For at least the foregoing reasons, as well as the reasons set forth in appellants' Appeal Brief, appellants submit that the Board should find the § 103(a) rejection of claim 10 to be in error and should reverse the Examiner.

VII. The Double Patenting Rejection

The Examiner has also maintained the double patenting rejection of claims 2-19 and 38-48 over Brenner

'211. In view of the remarks in appellants' Appeal Brief, appellants submit that each of the pending claims are patentably distinct from the issued claims in Brenner '211. Moreover, since Brenner '211 is a valid prior art reference, appellants maintain the position that the obviousness-type double patenting rejection should actually be a prior art rejection.

VIII. Conclusion

For at least the reasons set forth above, appellants respectfully submit that claims 2-19 and 38-48 are in condition for allowance. The Examiner's rejections of these claims should be reversed.

Respectfully submitted,

/Brian E. Mack/

Brian E. Mack

Registration No. 57,189

Attorney for Appellants

Customer No. 75563